GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Resource Mobilisation – APPFCL – Transfer of Assets from Power Utilities to Andhra Pradesh Power Finance Corporation Limited – Orders – Issued.

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ENERGY (POWER-III) DEPARTMENT

G.O.Ms.No.39 Dated 02.12.2019

Read:

From the Managing Director, APPFCL, Vijayawada, Lr.No.MD/AO/APPFCL/ D.No.1076/2019, Dated 28.10.2019.

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ORDER:

In the reference read above, the Managing Director, Andhra Pradesh Power Finance Corporation Limited, Vijayawada has stated that during the review of the Power Sector by Principal Finance Corporation, it was observed that all the Power Sector Companies viz, APTRANSCO, APGENCO, APEPDCL, APSPDCL and APPDCL are independently raising funds from Banks and Financial Institutions at a high rate of interest which is resulting huge pay outs towards interest.

2. The Managing Director, APPFC has stated that in order to reduce interest burden and also to take care of funds requirement of Power Utilities, it was decided to strengthen A.P.Power Finance Corporation Limited (APPFCL), a State Government owned Finance Company which was also registered a Non-Banking Finance Company (NBFC) with RBI, to raise resources / funds for lending to Power Utilities of State Government.

3. The Managing Director, APPFC, Vijayawada has also stated that Andhra Pradesh Power Utilities have identified certain freehold properties and expressed their willingness to transfer those Assets to A.P.Power Finance Corporation Limited (APPFCL) at the book value of the Assets to strengthen the Assets Position of APPFCL.

4. Government, after careful examination of the entire matter hereby accord permission to transfer the properties identified by the Power Utilities in favour of the Andhra Pradesh Power Finance Corporation, Vijayawada to raise resources / funds for lending to Power Utilities of State Government.

5. The Managing Director, APPFCL, Vijayawada / Chairman and Managing Director, APTRANSCO/ Managing Director, APGENCO/ Chairman and Managing Director, APEPDCL/ Chairman and Managing Director, APSPDCL and Managing Director, APPDCL, shall take necessary action accordingly.

6. This order issued with the concurrence of the Finance Department vide Note # 3, Dated 03.11.2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SRIKANT NAGULAPALLI
SECRETARY TO GOVERNMENT

To
The Managing Director, APPFCL, Vijayawada.
The Chairman and Managing Director, APTRANSCO, Vijayawada.
The Managing Director, APGENCO, Vijayawada.
The Chairman and Managing Director, APEPDCL, Vijayawada.
The Chairman and Managing Director, APSPDCL, Vijayawada.
The Managing Director, APPDCL, Vijayawada.
The V.C. & M.D., NREDCAP, Tadepalli, Guntur District.
Copy to:
The Principal Secretary to CM, CMO.,

Conti.....d/-2

The P.S. to PFS, Finance Department.
The Spl.Secretary to Govt., Finance Department.
The P.S. to C.S. to Government.
The P.S. to Secretary to Govt. P.E. Department.
The P.S. to Secretary to Govt., Energy Department.
SF/SCs (File No.ENE01/APCC/15/2019)

// FORWARDED :: BY ORDER //

SECTION OFFICER